

Target Capital Provides Corporate Updates

Calgary, Alberta – December 20, 2022 / Cision / -- Target Capital Inc. (the "Company") (NEX:TCI.H) announces that, in connection with an outstanding secured debt obligation owed to the Company, it has entered into an agreement (the "**Agreement**") that provides for the repayment of \$1.85 million, as follows:

- \$0.30 million cash payment received concurrently with signing the Agreement ("**Cash Payment**");
- The sale of assets procured by the Company that have an estimated fair market value ("**EFMV**") in excess of \$1.00 million ("**Procured Assets**"), provided that there is no guarantee the EFMV will be realized through the sale of the Procured Assets;
- Additional payments, as required, to reach an aggregate repayment amount of \$1.45 million, inclusive of the Cash Payment and the proceeds from the sale of Procured Assets, on or before June 30, 2023; and
- \$0.40 million of additional secured asset collateral that will mature no later than December 31, 2023.

The Agreement also provides for the incremental recovery of up to \$0.90 million (the "**Incremental Amount**"), which is in excess of the \$1.85 million, from the sale or refinancing of the Company's counterparty borrower, Performance CBD Brands Corp.

Timing & Disclosure

With respect to the timing of the receipt of the payments pursuant to the terms of the Agreement, the Company expects to receive a cash amount, net of legal fees and selling costs, of approximately \$0.25 million by the end of 2022. Subsequently, an additional \$0.70 million is expected within the first quarter of 2023. The remaining outstanding amounts, up to an aggregate repayment of \$1.45 million, are due on or before June 30, 2023, while any or all of the Incremental Amount may be received after June 30, 2023.

The Company does not intend to disclose developments with respect to the recovery process or recovered amounts under the Agreement, periodically or otherwise, unless it determines that disclosure is necessary or appropriate.

AGM

The Company also announces that its annual general and special meeting of shareholders (the "**AGM**") will be held via webcast on Tuesday, January 31, 2023 at 10:00 A.M. (Mountain Time). Details of the agenda and a link to the AGM will be included in the Company's management information circular, which is to be mailed to its registered shareholders and filed on SEDAR in connection with the AGM.

About Target Capital

The Company is a Calgary, Alberta based entity with a recently appointed interim leadership team possessing the requisite skills and experience to pursue a new corporate direction and leverage the Company's existing assets, public listing and business to consummate one or

more accretive and strategic transactions that support a new corporate direction. The Company's common shares are listed on the NEX board of the TSX Venture Exchange under the trading symbol "TCI.H".

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Forward-Looking and Cautionary Statements

This news release may include forward-looking statements including with respect to the Company's objectives, opinions and assumptions; changes to the board and management team; and the timing of continuous disclosure filings. When used in this document, the words "will," "anticipate," "believe," "estimate," "expects," "intent," "may," "project," "should," and similar expressions are intended to be among the statements that identify forward-looking statements. Without limitation, this news release contains forward-looking statements pertaining to the Agreement, including the amount and timing of recovery under the Agreement and legal and monetization costs associated with such recovery. The Company cautions that there are no assurances or guarantees that the anticipated recovery pursuant to the Agreement will be realized.

The forward-looking statements are founded on the basis of expectations and assumptions made by the Company. Forward-looking statements are subject to a wide range of risks and uncertainties, and although the Company believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will be realized. The Company cautions that current global uncertainty with respect to the continued impact of the COVID-19 virus and its effect on the broader global economy may have a significant negative effect on the Company. While the precise impact of the COVID-19 virus on the Company remains unknown, rapid spread of the COVID-19 virus may have a material adverse effect on global economic activity, and can result in volatility and disruption to global supply chains, operations, mobility of people and the financial markets, which could affect interest rates, credit ratings, credit risk, inflation, business, financial conditions, results of operations and other factors relevant to the Company.

Except as required by applicable laws, the Company does not undertake any obligation to publicly update or revise any forward-looking statements.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

SOURCE: TARGET CAPITAL INC.